



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1796-MC-FFS

DATE: June 1, 2017

TO: Iowa Medicaid Physicians

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Increased Payments to Qualifying Primary Care Physicians for Certain Services

EFFECTIVE: July 1, 2017

*****This letter replaces Informational Letter No. 1439 issued October 22, 2014*****

The state fiscal year (SFY) 2018/19 Human Services appropriations bill (House File 653), included a number of legislatively mandated cost-containment initiatives. One such initiative requires DHS to eliminate the primary care physician rate increase originally authorized by the federal Health Care and Education Reconciliation Act of 2010, section 1202, Pub.L. No. 111-152, 42 U.S.C. §1396a(a)(13)(C) which allows qualified primary care physicians to receive the greater of the Medicare rate or Medicaid rate for a specified set of codes.

The changes will be effective for dates of service on or after July 1, 2017, for Medicaid FFS and IA Health Link (MCO) claims.

Iowa Medicaid identified the increased primary care physician amounts with pricing factor code "Y" and "Z" on the fee schedule posted on the DHS [Fee Schedules](#)¹ web page. The "Y" and "Z" pricing factor codes will be end dated June 30, 2017, and no longer payable for Medicaid FFS and IA Health Link claims.

Background

Informational Letter 1439, issued October 22, 2014, which is now being replaced by this letter, communicated that the IME elected to continue paying the increased primary care physician payments after calendar year (CY) 2014. Effective January 1, 2015, the IME continued the increased payments at the CY 2014 Medicare amounts.

The IME appreciates your continued partnership as we work to improve the claim processing service quality and accuracy. If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at imeproviderservices@dhs.state.ia.us.

¹ <http://dhs.iowa.gov/ime/providers/csrp/fee-schedule>